

Assembly Bill No. 3

CHAPTER 1

An act to amend Item 3790-497 of, and to add Items 3790-002-6051 and 4260-497 to, Section 2.00 of the Budget Act of 2007 (Chapters 171 and 172 of the Statutes of 2007), and to add Sections 4.44 and 24.85 to, and to repeal Section 24.80 of, that act, relating to the support of state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 16, 2008. Filed with
Secretary of State February 16, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 3, Committee on Budget. Reductions in the Budget Act of 2007 relating to state government: fiscal emergency.

The Budget Act of 2007 (Chapters 171 and 172 of the Statutes of 2007) makes appropriations for the support of state government during the 2007–08 fiscal year. The California Constitution provides that if, following the enactment of the annual Budget Bill, the Governor determines that General Fund revenues will decline substantially below the estimate of General Fund revenues upon which the Budget Bill was based, or that General Fund expenditures will increase substantially above that estimate of General Fund revenues, or both, the Governor may issue a proclamation declaring a fiscal emergency and thereupon cause the Legislature to assemble in special session for that purpose.

This bill would amend the Budget Act of 2007 by revising certain items of appropriation, through reversions and transfers, and by reductions of appropriations to various state agencies. The bill would state that it addresses a fiscal emergency declared by the Governor by proclamation on January 10, 2008, by which the Legislature was called in special session pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. The reversions and transfers added by this act are in addition to the appropriations made in Section 2.00 of the Budget Act of 2007 (Ch. 171, Stats. 2007 and Ch. 172, Stats. 2007) and are subject to the provisions of that act, as appropriate, including, as applicable, the provisions of that act that apply to the items of appropriation that are amended by this

act. Unless otherwise specified, the references in this act to item numbers refer to items of appropriation in Section 2.00 of the Budget Act of 2007 (Ch. 171, Stats. 2007 and Ch. 172, Stats. 2007).

SEC. 2. Item 3790-002-6051 is added to Section 2.00 of the Budget Act of 2007 to read:

3790-002-6051—For support of Department of Parks and Recreation, payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006..... 30,000,000

Provisions:

1. \$30,000,000 of the funds appropriated in this item shall be for the planning, design, and construction of deferred maintenance projects within the state park system and shall be available for encumbrance until June 30, 2012.
 - (a) Notwithstanding any other provision of law, the Director of Finance may authorize expenditures in this item for capital outlay projects not sooner than 30 days after written notification is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee. The written notification shall provide a description of each capital outlay project, the need for the project, and the cost and phase for which approval is requested. The total of these expenditures may not exceed \$30,000,000.

SEC. 3. Item 3790-497 of Section 2.00 of the Budget Act of 2007, as amended by Chapter 489, Statutes of 2007, is amended to read:

3790-497—Reversion, Department of Parks and Recreation. As of June 30, 2007, the balances provided in the following citations shall revert to the fund from which the appropriations were made:

0001—General Fund

- (1) Item 3790-001-0001, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)

- (1) For support of the Department of Parks and Recreation..... 205,000,000

0005—Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

- (1) Item 3790-101-0005, Budget Act of 2001 (Ch. 106, Stats. 2001)

- (1) 80.25-Recreational Grants

- (a) Local agencies operating park..... 835,000

- (2) Item 3790-001-0005, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005)..... 107,000
6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund
- (1) Item 3790-001-6029, Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), as reappropriated by Item 3790-490, Budget Act of 2006 (Chs. 47 and 48, Stats. 2006)..... 3,000,000

SEC. 4. Item 4260-497 is added to Section 2.00 of the Budget Act of 2007, to read:

4260-497—Reversion, Department of Health Care Services.
The sum of \$165,000,000 of the appropriation provided in Schedule (3) 20.10.030 Benefits (Medical Care and Services) of Item 4260-101-0001, Budget Act of 2007 (Chs. 171 and 172, Stats. 2007) shall revert to the General Fund.

SEC. 5. Section 4.44 is added to the Budget Act, to read:

SEC. 4.44. (a) Notwithstanding any other provision of law, appropriations from the General Fund to the state entity as scheduled in subdivision (d), whether made in the Budget Act of 2007 or in other statutes, shall be reduced by the amounts as scheduled in subdivision (d). Any item of appropriation, and each schedule and provision within any item of appropriation, in the Budget Act of 2007 shall be adjusted to achieve the reduction to the aggregate General Fund appropriations made to each entity as ordered by the Director of Finance. Reductions to appropriations made in statutes other than the Budget Act of 2007 shall be allocated to achieve the reduction as scheduled in subdivision (d) as directed by the Director of Finance.

(b) To the extent made necessary by these reductions, appropriations from funds other than the General Fund to a state entity as scheduled in subdivision (d) may be adjusted to effectuate the provisions of this section.

(c) Nothing within this section shall be construed to confer any authority upon the Director of Finance to modify or eliminate any other provision of existing law.

(d) Appropriations from the General Fund for the state entities specified below shall be reduced by the amount specified. To the extent statutory changes are necessary to achieve these reductions, the reductions shall be effective only if necessary statutory changes are enacted.

LEGISLATIVE, JUDICIAL, AND EXECUTIVE		
0250	Judicial Branch	
	Delay of new Judgeships.....	21,960,000
0650	Office of Planning and Research	
	State Planning & Policy Development.....	44,000

	California Volunteers.....	375,000
0690	Office of Emergency Services	
	Mutual Aid Response	
	Fire and Rescue.....	100,000
	Law Enforcement.....	100,000
	Warning Center/Information Tech/	
	Telecommunications.....	100,000
	Administration and Program Support.....	26,000
	Plans and Preparedness	
	Plans and Preparedness.....	300,000
	Training and Administration and Program	
	Support.....	130,000
	Disaster Assistance and Administration and	
	Program Support.....	2,447,000
	State Terrorism Threat Assessment Center	1,000,000
	STATE AND CONSUMER SERVICES	
1760	Department of General Services	
	Emergency Repair Program and Capitol Maintenance & Repairs	1,179,000
	BUSINESS, TRANSPORTATION, AND HOUSING	
2240	Department of Housing and Community Development	
	Codes and Standards Program	
	State Housing Law	50,000
	Financial Assistance Program	
	Enterprise Zone Program	50,000
	Housing Policy Development Program	
	Housing Element, Issues & Reporting	100,000
	RESOURCES	
0540	Secretary for Resources	
	CALFED Bay Delta Program	87,000
3600	Department of Fish and Game	
	Biodiversity program	1,400,000
	Hunting Fishing and Public Use	165,000
	Administration and Program Support	152,000
3790	Department of Parks and Recreation	
	State Park System	1,000,000
3860	Department of Water Resources	
	Flood Management.....	200,000
	ENVIRONMENTAL PROTECTION	
0555	Secretary for Environmental Protection	
	Administrative Support	
	Children's Health Center	100,000

3900	Air Resources Board	
	Stationary Source Program: Research	100,000
3960	Department of Toxic Substance Control	
	Site Mitigation and Brownfields:	
	Illegal Drug Lab Removal	1,170,000
	Emergency Response	80,000
	Distributed Administration	50,000
3980	Office of Environmental Health Hazard Assessment	
	Health Risk Assessment.....	100,000
	HEALTH AND HUMAN SERVICES	
4200	Department of Alcohol and Drug Programs	
	Alcohol and Other Drug Services Program	
	Drug Medi-Cal	100,000
	California Methamphetamine Initiative	360,000
4300	Department of Developmental Services	
	Community Services	
	Reduce Community Placement Plan Operations by 10%	660,000
	Reduce Regional Center Operations for HIPAA Implementation by 10%	23,000
	Developmental Centers	
	Reduce Clients' Rights Advocacy and Volunteer Advocacy Services Agreements by 10%	39,000
	Reduce ICF-DD Quality Assurance Fees by 10%	755,000
	Reduce the Porterville DC Office of Protective Services Peace Officer I's by 10%.....	181,000
	State Operations	
	Reduce Regional Center Fiscal Audits Program by 11.8%	23,000
	Reduce Vendor Fiscal Audits Program	96,000
4440	Department of Mental Health	
	Community Services	
	EPSDT - Eliminate Home Health Market Basket COLA	1,878,000
	EPSDT - Reduce cost per client	1,768,000
	Reduce the contract for the Cathie Wright Technical Assistance Center	10,000
	Caregiver Resource Ctr.	400,000
	State Hospitals	
	SVP caseload savings	12,600,000
	Administration	
	Administrative Services	422,000
	Information Technology	300,000
5175	Department of Child Support Services	

	State Operations	
	Operational Expenses and Equipment.....	200,000
5180	Department of Social Services	
	Stop the Pay for Performance Incentive funding.....	40,000,000
	SSI/SSP Total	
	Delay of the June 2008 COLA	23,253,000
	Child Welfare Services/Case Management System Savings	3,000,000
	Automation Projects Total	
	Delay ISAWS Migration Project	3,500,000
	Reduce Departmental Operational Expenses and Equipment	70,000
	CORRECTIONS AND REHABILITATION	
5225	Department of Corrections and Rehabilitation	
	One-time savings due to program delay	40,000,000
	EDUCATION	
6440	University of California	
	Institutional Support - UC Berkeley Welfare Pol- icy Research Project	1,450,000
	LABOR AND WORKFORCE DEVELOPMENT	
7300	Agricultural Labor Relations Board	
	Board/General Counsel	
	Office of the Board	101,000
	General Counsel	49,000
	GENERAL GOVERNMENT	
8140	State Public Defender	
	Capital Appeal Legal Representation	405,000
8260	California Arts Council	
	Administrative Support	24,000
8570	Department of Food and Agriculture	
	Market Commodities, Agriculture Services	237,000
	General Agriculture Activities	263,000
8940	Military Department	
	Air National Guard	100,000
	Office of the Adjutant General	700,000
	Military Support to Civil Authority	100,000
	Military Retirement	100,000
	Youth Programs	
	Headquarters	100,000
8950	California Department of Veterans Affairs	
	Veteran Homes	1,729,000
	Administrative Support	30,000

Total General Fund Reductions..... 167,591,000

SEC. 6. Section 24.80 of the Budget Act 2007 is repealed.

SEC. 7. Section 24.85 is added to the Budget Act, to read:

SEC. 24.85. (a) Notwithstanding any other provision of law, the Director of Finance is authorized to reimburse General Fund expenditures for the purpose of offsetting the costs of the Home-to-School Transportation program for the 2007–08 fiscal year from the Public Transportation Account. A sum not to exceed \$409,000,000 from the Public Transportation Account may be used to reimburse General Fund expenditures for the Home-to-School Transportation program. The total reimbursement shall not reduce the balance in the Public Transportation Account below a prudent reserve as determined by the Director of Finance.

(b) It is not the intent of the Legislature in enacting this section to provide additional expenditure authority to state programs.

(c) Funds provided from the Public Transportation Account for this purpose are derived from the sales tax on fuels and are dedicated to mass transportation purposes pursuant to Section 99310.5 of the Public Utilities Code. The Legislature hereby finds that transporting students to schools is a component of the state’s mass transportation program.

SEC. 8. This act addresses a fiscal emergency declared by the Governor by proclamation on January 10, 2008, by which the Legislature was called in special session pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that necessary reversions, transfers, and adjustments by this act to the appropriations in the Budget Act of 2007 for support of state government for the 2007–08 fiscal year be made as soon as possible to address the fiscal emergency declared by the Governor, it is necessary that this act take effect immediately.

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